REMARKS

In the final office action mailed December 1, 2006, claims 1-56, 59, and 60-70 were pending, claims 57, 58, and 60 were withdrawn from consideration, and claims 1-56, 59, and 60-70 were rejected. With this amendment, claims 57, 58, and 60 have been canceled. Reconsideration of the present application in view of the remarks that follow is respectfully requested.

Claims 1-56, 59, and 61-70 were rejected under 35 U.S.C. § 103(a) as being unpatentable over information retrieved from the Metropolitan Regional Information Systems, Inc. ("MRIS") in light of *Modern Real Estate Practice* by Galaty, *et al* ("Galaty"). The seminal case directed to application of 35 USC §103 is Graham v. John Deere, 383 U.S. 1, 148 USPQ 459 (1966). From this case, four familiar factual inquiries have resulted. The first three are directed to the evaluation of prior art relative to the claims at issue, and the last is directed to evaluating evidence of secondary considerations. See, MPEP §2141. From these inquiries, the initial burden is on the Patent Office to establish a *prima facie* case of obviousness for which three basic criteria must be met. "First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure." MPEP §2142 (citing In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)).

The Office Action addresses the first claim limitation, namely *separating private easements for the provision of common services in a developed community from dedicated public rights-of-way*. However, the Office Action fails to address and made no attempt to explain where the remaining claim limitations are disclosed in either or both of MRIS or Galaty. There has been no positive showing where the following limitations may be found in MRIS or Galaty:

- establishing one or more decision making authorities/access entities to control said private easements as privately owned entities and to identify and contract with various service providers;

- precluding access to said private easements by individual lot owners in said developed community and governmental franchisees for providing said common services; and

- providing said common services to said developed community through said one or more decision making authorities/access entities, said one or more decision making authorities/access entities obtaining common services from one or more common services providers, respectively

Even giving such terminology its broadest reasonable meaning, the references relied on MRIS and Galaty fail to disclose these features.

The Office Action states "MRIS teaches lists of homes available for sale and rent by owners and listed by the real estate agents in the MRIS system which include information of what facilities and utilities are covered by the Home Owner Association Fee..." The Office Action fails to explain the relevance of that statement. This is contrary to claim 1 because a Homeowner Association is made up of the respective homeowners and is not "one or more

decision making authorities/access entities to control said private easements as **privately owned entities.**" Even assuming arguendo that a Homeowner's Association can be considered to be a decision making authority to control the private easements as privately owned entities, claim 1 further requires "precluding access to said private easements by individual lot owners in said developed community and governmental franchisees for providing said common services." Therefore, even if the Homeowner's Association was a decision making authority, the Homeowner's Association is formed by homeowners or the respective lot owners and thus would not be precluded access to the private easements as required by claim 1. Additionally, nothing in either MRIS or Galaty discloses, teaches, or suggests the limitations discussed above. Therefore, for at least these reasons claim 1 is believed to be in condition for allowance and such allowance is respectfully requested.

With regard to the Examiner's combination of MRIS and Galaty references and the Examiner's inherency arguments, the Examiner has not satisfied his burden under § 103 for several reasons. First, there is a failure to provide an explanation as to why one of ordinary skill in the art at the time of the invention would have been motivated to make the proposed modification. Finally, there is inadequate explanation to support the rejections based on *inherent* or *implicit* teachings of both references.

The Office Action provides no basis for support of the combination of MRIS and Galaty. The Office Action should show: "(A) the relevant teachings of the prior art relied upon, preferably with reference to the relevant column or page number(s) and line number(s) where appropriate, (B) the difference or differences in the claim over the applied reference(s), (C) the proposed modification of the applied reference(s) necessary to arrive at the claimed subject matter, and (D) an explanation why one of ordinary skill in the art at the time the invention was

made would have been motivated to make the proposed modification." See MPEP §706.02(j). The Examiner has failed properly to communicate the basis for the rejection so that the Applicant can have a fair opportunity to reply. The Examiner has not offered any suggestion of the desirability of the combination of MRIS and Galaty to arrive at claim 1. Therefore, for at least this reason claim 1 is believed to be in condition for allowance and such allowance is respectfully requested.

The Examiner posits that "it is inherent that Villa Ridge separates private easements for the provision of common services from dedicated public rights-of-way for public safety ..." The Examiner also states that "MRIS implicitly teaches establishment of one or more decision making authorities/access entities to control said private easements as privately owned entities and to identify and contract with various service providers."

The fact that a certain result or characteristic may be present in the prior art is insufficient to establish the inherency of that element. *In re Rijckaert*, 9 F.3d 1531, 1534, 28 USPQ2d 1955, 1957 (Fed. Cir. 1993); *In re Oelrich*, 666 F.2d 578, 581-82, 212 USPQ 323, 326 (CCPA 1981). "To establish inherency, the extrinsic evidence 'must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. Inherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient.' " *In re Robertson*, 169 F.3d 743, 745, 49 USPQ2d 1949, 1950-51 (Fed. Cir. 1999) (citations omitted). "In relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows from the teachings of the applied prior art." *Ex parte Levy,* 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Inter. 1990).

The Office Action does not make clear that the missing matter is necessarily present in MRIS, including the Villa Ridge reference, and that it would be so recognized by people of ordinary skill. The Office Action does not provide a basis in fact or the technical reasoning to support reasonably the determination that the allegedly inherent characteristics -- "it is inherent that Villa Ridge separates private easements for the provision of common services from dedicated public rights-of-way for public safety ..." and "MRIS implicitly teaches establishment of one or more decision making authorities/access entities to control said private easements as privately owned entities and to identify and contract with various service providers." – flow necessarily from the teachings of the MRIS and Galaty. Therefore, for at least this reason claim 1 is believed to be in condition for allowance and such allowance is respectfully requested.

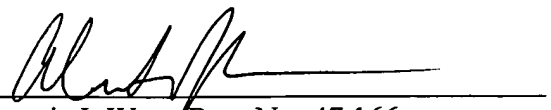
For each of the foregoing reasons, the Applicant submits that the Examiner has failed to satisfy his burden to show that MRIS and Galaty provide a sufficient basis for a § 103 rejection of claim 1. The Applicant respectfully requests that the rejection be withdrawn and that claim 1 be allowed.

All remaining claims, namely 2-56, 59, and 61-70, depend directly or indirectly from claim 1. For the same reasons discussed above with respect to claim 1, the Examiner has failed to satisfy his burden to show that MRIS and Galaty provide a sufficient basis for a § 103 rejection of claims 2-56, 59, and 61-70. The Applicant respectfully requests that the rejection be withdrawn and that claims 2-56, 59, and 61-70 are granted as allowable.

Reconsideration and allowance of the present application is respectfully requested in view of the amendments made to the claim identifiers and the comments and amendments

made in April 7, 2006 Response to Office Action. The Examiner is encouraged to contact the undersigned counsel to resolve any outstanding issues with regard to the present application.

Respectfully submitted,



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